

2005**DECLARATION OF COSTS AND OTHER RELATED PROPERTY INFORMATION
AS OF 12:01 A.M., JANUARY 1, 2005**

This statement must be completed, signed, and filed with the Valuation Division, Board of Equalization, P.O. Box 942879, Sacramento, California 94279-0061, by March 1, 2005. Omit cents; round to the nearest dollar.

NAME
STREET
CITY
STATE and ZIP CODE

OFFICIAL REQUEST

This request is made in accordance with section 826 of the Revenue and Taxation Code. This property statement must be completed according to the instructions and filed with the Board of Equalization on or before March 1, 2005. If you do not file this statement, you may be subject to the penalty provided in section 830 of the Revenue and Taxation Code. Attached schedules are considered to be part of the statement. THIS STATEMENT IS SUBJECT TO AUDIT.

 **MAKE NECESSARY CORRECTIONS TO ADDRESS LABEL**

THIS STATEMENT SHALL CONSIST OF:		DATE SUBMITTED	DATE TO BE SUBMITTED	N/A	Name and address of person to whom correspondence regarding audit should be addressed:
(1) Financial Schedules A through D					NAME
(2) Schedules of Leased Equipment	600-A				MAILING ADDRESS (including zip code)
	600-B				TELEPHONE NUMBER ()
(3) Summary Control					Location of accounting records (street, city, state and zip code):
(4) Schedule of Intangible Information					
(5) Tangible Property List					
(6) Statement of Land Changes, BOE-551					
(7) Statement of Authorization, BOE-892					
(8) Other information (see instructions on reverse)					
a. 2003 Annual Report to CPUC					NAME OF AUTHORIZED REPRESENTATIVE (if applicable)*
b. 2003 Annual Report to FCC					ADDRESS (street, city, state, zip code)
c. 2003 SEC Form 10K - 2 copies					DAYTIME TELEPHONE NUMBER ()
d. 2003 Shareholders Report - 3 copies					
e. Reseller List for California					
f. Payments to Local Governments in CA					
g. Working Cash Study					
h. Inventory Data					
i. Other information as requested					*Statement of Authorization (BOE-892) must be filed annually.

List primary business activities generating revenue: _____

Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets? ☐ Yes ☐ No

If a FASB write-down has been taken, do the costs reported in Schedule B reflect the write-down? ☐ Yes ☐ No

(✓) ENTITY TYPE: ☐ Proprietorship ☐ Partnership ☐ Corporation ☐ Other Change in ownership prior 12 months? ☐ Yes ☐ No

CERTIFICATION

I certify (or declare) under penalty of perjury under the laws of the State of California that I have examined this Property Statement, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete and covers all property required to be reported which is owned, claimed, possessed, controlled, or managed by the person named in the statement at 12:01 a.m. on January 1, 2005. If prepared by a person other than the taxpayer, this declaration is based on all information of which preparer has knowledge.

FULL LEGAL NAME OF BUSINESS

PRINTED NAME OF SIGNATORY

TITLE

SIGNATURE OF OWNER, PARTNER, OR CORPORATE OFFICER

DATE

SIGNATURE OF AUTHORIZED REPRESENTATIVE

DATE

FOR OFFICIAL USE ONLY

2005

2005

Under the provisions of sections 826 and 830 of the Revenue and Taxation Code and section 901, Title 18, California Code of Regulations, the Board of Equalization requests that you file a property statement with this Board between January 1, 2005 and 5:00 p.m. on March 1, 2005. This property statement shall be completed in accordance with instructions included with the property statement and in Publication 67-TC, *Instructions for Reporting State-Assessed Property* for lien date 2005. If you do not have these instructions, please let us know and a copy will be mailed to you. The phone number of the Valuation Division is (916) 322-2323.

All parts of the property statement must be filed by March 1 (exception — see “N/A” below). Extensions of time for filing the property statement or any of its parts may be granted only on a showing of good cause under a written request made prior to March 1, 2005. If you do not file timely, it may result in an added penalty of 10 percent of the assessed value as required by section 830 of the Revenue and Taxation Code.

(7) OTHER INFORMATION — INSTRUCTIONS

The following information shall be provided with the property statements:

- a. a copy of your annual report to the California Public Utilities Commission (CPUC).
- b. a copy of your annual report to the Federal Communications Commission (FCC).
- c. a copy of your Form 10K filed with the Securities and Exchange Commission (SEC).
- d. three (3) copies of your 2004 annual report to stockholders.
- e. list of resellers within California that were provided service during 2004.
- f. a statement of your 2004 payments to governmental agencies for the use of public property located in California. Please indicate those payments which are on the basis of agreements entered into prior to December 1955 and which have not been subsequently extended or renewed.
- g. the latest “lead-lag” study (or equivalent) indicating the amount of working cash necessary for operations.
- h. a statement of the amount of inventory held for sale or lease in the ordinary course of business. Such inventory should be reported as follows:
 1. Inventory quantity and amount, at book cost, as of January 1, 2005.
 2. The average quantity and amount of inventory, at book cost, on hand during calendar year 2004. These figures may be calculated by averaging the twelve (12) month-end balances.
 3. Exempt inventory (items held for sale or lease in the ordinary course of business) or supplies which will become a component part of a product you manufacture or sell should not be reported on the Tangible Personal Property List (Form BOE-533).
- i. other information as requested.

A positive response is required for all parts of the property statement. If a requested item does not apply, please so state. If you do not respond to all parts of the property statement, you may be subject to the penalties of section 830 of the Revenue and Taxation Code.

N/A — Not Applicable

Report book cost (100 percent of actual cost). Include excise, sales and use taxes, freight-in, installation charges, finance charges during construction, and all other relevant costs required to place the property in service. **DO NOT REDUCE COSTS FOR DEPRECIATION.** Accumulated depreciation must be reported separately. Report separately the details of any write-downs of cost, extraordinary damage or obsolescence, or any other information that may help the Board in estimating the fair market value of your property.

Forms 600-A, 600-B and Statement of Land Changes need not be returned if there is nothing to report. However, a positive response under the “N/A” column on Page S1F is required for those forms not returned. A summary control need not be filed unless tangible property is located in more than one county.

You have the option of substituting for Financial Schedules A to D inclusive, copies of schedules of corresponding information as filed in your annual report required by the California Public Utilities Commission or Federal Communications Commission, or other financial statements that contain the appropriate information for the corresponding period including depreciation and taxes as called for in the schedules.

NOTE: All replacement cost studies, obsolescence requests, and other voluntary information that assesses believe affects the value of their property must be filed with the property statement or by a date granted by a formal extension. If such information is not filed by that date, staff is not required to consider it in determining its unitary value recommendation.

2005**SCHEDULE A — Comparative Balance Sheet**

COMPANY NAME		SBE NO.
BALANCE AT JANUARY 1, 2004	ASSETS	BALANCE AT JANUARY 1, 2005
\$	Plant and equipment	\$
	Miscellaneous physical property ^a 	
	Investments in securities	
	Other investments	
	Sinking and other funds	
	Other utility plant	
	
	Cash and working funds	
	Temporary cash investments and special deposits	
	Notes receivable	
	Accounts receivable	
	Interest, dividends, and rents receivable	
	Materials and supplies ^a 	
	Inventory held for sale or lease in ordinary course of business ^a 	
	Discount on capital stock	
	Discount and expense on funded debt	
	Prepayments	
	All other deferred debits (<i>describe</i>)	
	
\$	TOTAL ASSETS AND OTHER DEBITS	\$
EQUITY & LIABILITIES		
\$	Capital stock	\$
	Premiums and assessments on capital stock	
	Funded debt unmatured	
	Capital stock expense	
	Other long term debt	
	
	Loans and notes payable	
	Accounts payable	
	Matured interest and dividends	
	Taxes accrued	
	Customer deposits and advances	
	Other current and accrued liabilities	
	
	Premium on long term debt	
	Depreciation reserve licensed vehicles ^a 	
	Depreciation reserve other plant and eq. ^a 	
	Depreciation reserve non-operative prop. ^a 	
	Deferred income taxes	
	Other reserves	
	Employees' provident reserve	
	Other deferred and unadjusted credits	
	
	Retained earnings	
	
\$	TOTAL EQUITY, LIABILITIES AND OTHER CREDITS	\$

^a Note — Interstate companies show California January 1, 2005 amount in box.

SCHEDULE B — Plant and Equipment

2005

COMPANY NAME

SBE NO.

Has your company taken a FASB write-down to reflect a reduction in the value of your fixed assets?
If a FASB write-down has been taken, do the costs reported in Schedule B reflect the write-down?

☐ Yes ☐ No
☐ Yes ☐ No

ACCOUNT NO.	ACCOUNT TITLE	CALIFORNIA				SYSTEM
		BALANCE BEGINNING OF 2004	ADDITIONS	RETIREMENTS	BALANCE END OF 2004	BALANCE END OF 2004
	REAL ESTATE	\$	\$	\$	\$	\$
	Land ¹					
	Rights of Way, Easements, etc. ¹					
	Buildings					
	Misc. Structures & Leasehold Improvements					
	PLANT ASSETS IN SERVICE					
	*Licensed Motor Vehicles					
	Unlicensed Vehicles					
	Furniture & Office Equipment					
	General Purpose Computers					
	*Computer Applications Software					
	CENTRAL OFFICE EQUIPMENT (COE)					
	Switches					
	Peripheral					
	OUTSIDE PLANT — Cable, Conduit, Towers, etc.					
	MISCELLANEOUS WORK EQUIPMENT <i>(describe)</i>					
	CUSTOMER PREMISE EQUIPMENT (CPE)					
	OTHER — <i>(describe)</i>					
	Aircraft					
	TOTAL IN SERVICE					
	BOE-600-A PROPERTY (LEASED EQUIPMENT)					
	FUTURE USE PROPERTY					
	CONSTRUCTION WORK IN PROGRESS					
	MATERIALS & SUPPLIES					
	TOTAL	\$	\$	\$	\$	\$

DEPRECIATION RESERVE		CALIFORNIA	SYSTEM
		BALANCE END OF 2004	BALANCE END OF 2004
	All Tangible Property		
	* Licensed Motor Vehicles		
	* Computer Applications Software		

* Property exempt from assessment.

¹ If additions and/or retirements are reported, a Statement of Land Changes (form BOE-551) must be filed with the Valuation Division.

2005**SCHEDULE B-1 COST DETAIL OF DEPRECIABLE PROPERTY AS OF JANUARY 1, 2005**

COMPANY NAME

SBE NO.

INTERSTATE COMPANIES: Prepare a Separate Schedule B-1 for California and for Total System.
Attach a separate sheet if needed.

This side for **CALIFORNIA**

CAL. YEAR OF ACQ.	BUILDINGS ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
1986	
1985	
1984	
1983	
1982	
1981	
1980	
1979	
1978	
1977	
1976	
1975	
1974	
1973	
1972	
1971	
1970	
1969	
1968	
1967	
1966	
1965	
1964	
1963	
1962	
1961	
1960	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	MISC. STRUCTURES & LEASEHOLD IMPROVEMENTS ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	OUTSIDE PLANT ORIGINAL COST (I)
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
1986	
1985	
1984	
1983	
Prior	
TOTAL	

DIGITAL	
CAL. YEAR OF ACQ.	COE-SWITCH ORIGINAL COST (I)
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
1986	
1985	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	MISC. WORK* EQUIPMENT ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	OTHER COMMUNICATION EQUIPMENT
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	CUSTOMER PREMISE EQUIPMENT
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	COE-PERIPHERAL ALL EXCEPT SWITCH ORIGINAL COST (I)
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	FURNITURE & OFFICE EQUIPMENT ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
Prior	
TOTAL	

CAL. YEAR OF ACQ.	GENERAL PURPOSE COMPUTERS* ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
Prior	
TOTAL	

*Do not include Licensed Motor Vehicle or Computer Software Costs in any Schedule B-1 Category.

2005**SCHEDULE B-1 COST DETAIL OF DEPRECIABLE PROPERTY AS OF JANUARY 1, 2005**

COMPANY NAME

SBE NO.

INTERSTATE COMPANIES: Prepare a Separate Schedule B-1 for California and for Total System.
Attach a separate sheet if needed.

This side for **SYSTEM**

CAL. YEAR OF ACQ.	BUILDINGS ORIGINAL COST	CAL. YEAR OF ACQ.	MISC. STRUCTURES & LEASEHOLD IMPROVEMENTS ORIGINAL COST	DIGITAL		CAL. YEAR OF ACQ.	OTHER COMMUNICATION EQUIPMENT	CAL. YEAR OF ACQ.	COE-PERIPHERAL ALL EXCEPT SWITCH ORIGINAL COST (I)
				CAL. YEAR OF ACQ.	COE-SWITCH ORIGINAL COST (I)				
2004		2004		2004		2004		2004	
2003		2003		2003		2003		2003	
2002		2002		2002		2002		2002	
2001		2001		2001		2001		2001	
2000		2000		2000		2000		2000	
1999		1999		1999		1999		1999	
1998		1998		1998		1998		1998	
1997		1997		1997		1997		1997	
1996		1996		1996		1996		1996	
1995		1995		1995		1995		1995	
1994		1994		1994		1994		1994	
1993		1993		1993		1993		1993	
1992		1992		1992		1992		1992	
1991		1991		1991		1991		1991	
1990		1990		1990		1990		1990	
1989		1989		1989					
1988		1988		1988					
1987		1987		1987					
1986		Prior		1986					
1985		TOTAL		1985		Prior		Prior	
1984						TOTAL		TOTAL	
1983				Prior					
1982				TOTAL					
1981									
1980									
1979									
1978									
1977									
1976									
1975									
1974									
1973									
1972									
1971									
1970									
1969									
1968									
1967									
1966									
1965									
1964									
1963									
1962									
1961									
1960									
Prior									
TOTAL		TOTAL		TOTAL				TOTAL	

CAL. YEAR OF ACQ.	CUSTOMER PREMISE EQUIPMENT	CAL. YEAR OF ACQ.	FURNITURE & OFFICE EQUIPMENT ORIGINAL COST
2004		2004	
2003		2003	
2002		2002	
2001		2001	
2000		2000	
1999		1999	
1998		1998	
1997		1997	
1996		1996	
1995		1995	
1994		1994	
1993		1993	
1992		1992	
Prior		Prior	
TOTAL		TOTAL	

CAL. YEAR OF ACQ.	GERERAL PURPOSE COMPUTERS* ORIGINAL COST	
2004		1998
2003		1997
2002		1996
2001		1995
2000		Prior
1999		TOTAL

CAL. YEAR OF ACQ.	MISC. WORK* EQUIPMENT ORIGINAL COST
2004	
2003	
2002	
2001	
2000	
1999	
1998	
1997	
1996	
1995	
1994	
1993	
1992	
1991	
1990	
1989	
1988	
1987	
1986	
1985	
1984	
1983	
Prior	
TOTAL	

*Do not include Licensed Motor Vehicle or Computer Software Costs in any Schedule B-1 Category.

CALIFORNIA**2005****SCHEDULE C — Operating Income Statement**

COMPANY NAME		SBE NO.	
ACCOUNT TITLE	ACCOUNT NO.	2004 CALENDAR YEAR	2003 CALENDAR YEAR
OPERATING REVENUES			
Local service revenues _____			
Long distance revenues _____			
Uncollectible revenues — debit _____			
Miscellaneous operating revenues _____			

Network access revenues _____			

Total Operating Revenues			
OPERATING EXPENSES			
Network & general support expense _____			
Central office switching expense _____			
Central office transmission _____			
Other plant & equipment expense _____			
Network operations expense _____			
Access expense _____			
Marketing expense _____			
General & administrative expense _____			
Miscellaneous operating expense _____			

Expenses Subtotal _____			

Interest Expense _____			

TAXES			
Ad valorem (property) taxes _____			
State income taxes _____			
Federal income taxes _____			
Other taxes (<i>itemize by major category</i>) _____			

NONCASH EXPENSES			
Depreciation—plant in-service _____			
Amortization—intangible property _____			
Extraordinary items _____			
Other (<i>describe</i>) _____			

Total Expenses			
NET INCOME AFTER TAX			

SYSTEM**2005****SCHEDULE C — Operating Income Statement**

COMPANY NAME		SBE NO.	
ACCOUNT TITLE	ACCOUNT NO.	2004 CALENDAR YEAR	2003 CALENDAR YEAR
OPERATING REVENUES			
Local service revenues _____			
Long distance revenues _____			
Uncollectible revenues — debit _____			
Miscellaneous operating revenues _____			

Network access revenues _____			

Total Operating Revenues			
OPERATING EXPENSES			
Network & general support expense _____			
Central office switching expense _____			
Central office transmission _____			
Other plant & equipment expense _____			
Network operations expense _____			
Access expense _____			
Marketing expense _____			
General & administrative expense _____			
Miscellaneous operating expense _____			

Expenses Subtotal _____			

Interest Expense _____			

TAXES			
Ad valorem (property) taxes _____			
State income taxes _____			
Federal income taxes _____			
Other taxes (<i>itemize by major category</i>) _____			

NONCASH EXPENSES			
Depreciation—plant in-service _____			
Amortization—tangible property _____			
Extraordinary items _____			
Other (<i>describe</i>) _____			

Total Expenses			
NET INCOME AFTER TAX			

2005**SCHEDULE D-1 — California Allocation Data**

COMPANY NAME		SBE NO.
	SYSTEM	CALIFORNIA
Tangible property, at original cost		
Operating revenue		
Calls originated		
Message units		
Other (identify)		

Note: If California income is not identifiable, California operations must be identified on Schedule C-1 in terms of the number of calls, billing units, message units, etc., in relation to the system total of such units. If a requested item is not available or not applicable, indicate this by stating "N/A" in the appropriate space.

SCHEDULE D — Statement of Income

COMPANY NAME		SBE NO.
	BALANCE AT END OF 2004	BALANCE AT END OF 2003
Net operating income (from Schedule C)		
Net income from other operations		
Other income		
Revenues from nonoperative physical property		
Other income		
Total		
Income deductions		
Depreciation on nonoperative physical property		
Taxes on nonoperative physical property		
Other expenses of nonoperative physical property		
Interest		
Other income deductions		
Total		
Net income		